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**Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations**

# Proposed budget of the Office of Internal Oversight Services under the support account for peacekeeping operations for the period from 1 July 2017 to 30 June 2018

## Report of the Independent Audit Advisory Committee

*Summary*

The present report contains the comments, advice and recommendations of the Independent Audit Advisory Committee on the proposed budget of the Office of Internal Oversight Services under the support account for peacekeeping operations for the period from 1 July 2017 to 30 June 2018.

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# I. Introduction

1. The Independent Audit Advisory Committee presents herein its comments, advice and recommendations to the General Assembly, through the Advisory Committee on Administrative and Budgetary Questions, on the budget of the Office of Internal Oversight Services (OIOS) under the support account for peacekeeping operations for the period from 1 July 2017 to 30 June 2018. The report is submitted in accordance with paragraphs 2 (c) and (d) of the Committee's terms of reference (General Assembly resolution 61/275, annex).

2. The Committee has a responsibility to examine the workplan of OIOS, taking into account the workplans of the other oversight bodies, and to advise the General Assembly thereon, to review the budget proposal of the Office, taking into account its workplan, and to make recommendations to the Assembly through the Advisory Committee. The Committee undertook its review of the OIOS work-planning process and the proposed budget for OIOS under the support account for peacekeeping operations for the period from 1 July 2017 to 30 June 2018 during its thirty-sixth and thirty-seventh sessions, held from 28 to 30 November 2016 and from 15 to 17 February 2017, respectively.

3. In preparing the current report, the Committee was cognizant of the report of the High-level Independent Panel on Peace Operations (see A/70/95-S/2015/446). That report informed the Committee's observations and recommendations, especially with respect to the resources needed for the evaluation and investigation functions of OIOS.

4. The Committee appreciates the efforts of the Office of Programme Planning, Budget and Accounts and OIOS in providing the Committee with the relevant documents for consideration. OIOS also provided supplementary information in response to various questions from the Committee.

# II. Background

5. The proposed financial resources for OIOS for 2017/18, as compared with 2016/17, are provided in table 1.

Table 1
**Financial resources**

(Thousands of United States dollars)

| | *Approved 2016/17* | *Proposed 2017/18* | *Variance* | |
|---|---|---|---|---|
| | | | *(Amount)* | *(Percentage)* |
| Internal Audit Division | 18 943.1 | 16 930.5 | -2 012.6 | -10.6 |
| Inspection and Evaluation Division | 1 131.5 | 1 752.7 | 621.2 | 54.9 |
| Investigations Division | 10 238.3 | 9 983.6 | -254.7 | -2.5 |
| Executive Office | 776.0 | 789.4 | 13.4 | 1.7 |
| **Total** | **31 088.9** | **29 456.2** | **-1 632.7** | **-5.3** |

*Note*: Budget figures provided by the Office of Programme Planning, Budget and Accounts, Peacekeeping Financing Division.

6. The proposed OIOS budget under the support account for peacekeeping operations for the period from 1 July 2017 to 30 June 2018 is estimated at $29,456,200 (gross), which represents a reduction of $1,632,700 (gross), or 5.3 per cent, below the prior year's approved budget of $31,088,900 (gross). Upon enquiry, the Committee was informed that the reduction was mainly in post resources and general temporary assistance costs. The lower cost for post and general temporary assistance resources was attributed to: (a) the abolishment of posts from missions that are either closing or downsizing; (b) the lower salary scale in field offices as a result of the new International Civil Service Commission compensation package; and (c) the higher vacancy rates applied across the support account.

7. The Committee recognizes that the consideration of the OIOS budget proposals with regard to the specific grade level of OIOS posts and requests for non-post resources is more appropriately within the remit of the Advisory Committee on Administrative and Budgetary Questions. The review, comments and advice of the Independent Audit Advisory Committee will therefore focus on the scope of its own terms of reference with respect to the work-planning and budgeting process of OIOS. In accordance with its terms of reference, the Independent Audit Advisory Committee will submit the present report to the General Assembly through the Advisory Committee on Administrative and Budgetary Questions. Arrangements will be made for interaction with the Advisory Committee to discuss the contents of the report.

# III. Comments of the Independent Audit Advisory Committee

## A. Internal Audit Division

8. In reports issued since its inception, the Committee has made a number of recommendations relating to the work of OIOS in general and the work-planning and budgeting process of the Internal Audit Division in particular. The Committee notes that OIOS has made an effort to implement most of those recommendations. The Committee also notes that the Division continues to employ residual risk as the basis for its workplan. Although its share of the overall budget of OIOS has decreased, from 61 per cent, as reported last year, the Division remains the largest of the three divisions of OIOS and represents 58 per cent of the OIOS budget under the support account.

### Risk-based workplan

9. In paragraph 26 of its report A/64/652, the Committee recommended that the Division adopt more robust audit workplans, based on residual risk. The Committee was informed that in developing the 2017/18 workplan, the Division used the risk-based approach that has been used since 2013, validated the previous year's audit universe and updated the audit risk assessments for all the departments, programmes, missions, functions structures, processes and initiatives. OIOS indicated that the risk-ranked audit universe of auditable activities was developed taking into account the impact and likelihood of risks and the controls that exist to manage risk; previous oversight activities; and the results of ongoing

interactions/consultations with various divisions, management, the Board of Auditors and the Joint Inspection Unit.

10. In paragraph 11 of its report A/70/759, the Committee recommended that future workplans of the Division explicitly show how its workplan was guided by the Organization's critical enterprise risk strategy. Thus, with regard to the current resource request, the Committee was informed that the Division had enhanced the risk-based work-planning process and provided for a clearer link between the Division's risk registers and the Secretariat-wide enterprise risk register. The Committee was informed that there was also an increased focus on and increased attention paid to effectiveness and efficiency issues; fraud and mismanagement; and opportunities for working jointly with other OIOS divisions.

11. In this regard, OIOS indicated, as shown in table 2, that the Division plans to undertake 86 audit assignments related to peacekeeping operations for the fiscal period 2017/18. This represents an 11 per cent decrease from the previous period, with the biggest decrease (21 assignments) in logistics. According to OIOS, programme and project management continues to account for the largest number of audits.

Table 2
**Trends in the number and distribution of Internal Audit Division assignments**

| | *Fiscal year* | | | | | | | *Variance between 2016 and 2017* |
|---|---|---|---|---|---|---|---|---|
| *Focus area* | *2011* | *2012* | *2013* | *2014* | *2015* | *2016* | *2017* | *Number of assignments* |
| Logistics | 13 | 16 | 19 | 28 | 16 | 29 | 8 | -21 |
| Programme and project management | 12 | 17 | 13 | 16 | 19 | 26 | 22 | -4 |
| Property and facilities management | 7 | 5 | 15 | 9 | 20 | 17 | 10 | -7 |
| Safety and security | 14 | 4 | 7 | 6 | 3 | 5 | 9 | 4 |
| Human resources management | 10 | 4 | 8 | 17 | 18 | 9 | 11 | 2 |
| Financial management | 5 | 6 | 10 | 12 | 4 | 4 | 8 | 4 |
| Governance and strategy | 8 | 10 | 1 | 0 | 0 | 0 | 10 | 10 |
| Information technology | 3 | 3 | 3 | 10 | 4 | 3 | 3 | 0 |
| Procurement | 1 | 6 | 9 | 2 | 10 | 4 | 5 | 1 |
| **Total** | **73** | **71** | **85** | **100** | **94** | **97** | **86** | **-11** |

12. In section II, paragraph 3, of its resolution 71/7, the General Assembly endorsed the recommendation of the Committee that OIOS should show explicitly how Internal Audit Division workplans are guided by the Organization's critical enterprise risk strategy. Upon follow-up, the Committee was informed that 40 of the 86 assignments addressed one or more of the six critical risks of the Organization. According to OIOS, human resources management and accountability, together with strategic planning and budgets allocation, make up 65 per cent of the assignments. OIOS has indicated that it will continue to consult with management, the Board of Auditors and the Joint Inspection Unit during the period, monitor the risks identified

within the missions and, if required, revise the workplan on the basis of emerging risks and priorities.

**Thematic and stand-alone audits**

13. In paragraph 8 of its report A/65/329, the Committee noted that OIOS could add value to its oversight work by conducting more audits of cross-cutting and systemic issues, that is to say, thematic audits. The Committee therefore recommended that in preparing its workplan, OIOS place greater emphasis on audits of cross-cutting issues in order to identify prevalent systemic issues that needed to be addressed by management as a priority.

14. For 2017/18, OIOS indicated that 20 of the 86 assignments will be thematic engagements. It identified three high-risk thematic areas on which it planned to concentrate, namely, financial management, programme and project management, and governance and strategy.

15. **The Committee commends OIOS for the effort made to show how Internal Audit Division workplans are guided by the Organization's critical enterprise risk strategy, and for continuing to undertake thematic audits. The Committee will continue to monitor these initiatives in future sessions.**

**Capacity gap analysis**

16. In paragraph 17 of its report A/66/737, the Committee recommended that as OIOS continued to move towards a robust risk-based approach to its workplan, it should conduct analyses of its capacity gaps. OIOS informed the Committee that it was not requesting additional resources for the Internal Audit Division and indicated that any capacity gap for the Division would be minimal and addressed in three ways: (a) through a greater involvement of the chief resident auditors in the audit process than was initially budgeted for complex audits or areas of work; (b) through empowering administrative assistants to undertake work of increasing complexity; and (c) through examining where efficiencies in the audit process could be achieved, for example, in the reporting phase, and reallocating those resources to cover any capacity gap.

17. **Having considered the workplan of the Internal Audit Division and taking into account the previous recommendations and clarifications of OIOS, the Committee endorses the resource requirement as proposed.**

## B. Inspection and Evaluation Division

**Workplan implementation**

18. In paragraph 24 of its report A/67/772, the Committee recommended that in order for the Inspection and Evaluation Division to ensure its relevance to decision makers, it should, inter alia, finalize its reports in a timely manner. During the deliberations, the Committee was informed that of the three items slated for evaluation during fiscal year 2014/15, two had not been completed until fiscal year 2016/17. Furthermore, of the four assignments that began in fiscal year 2015/16, only one was completed on time. The remaining three are slated for completion in February 2017. OIOS continues to attribute the delays to lack of staffing. **The**

**Committee continues to be concerned by the ripple effect that continues to be exerted on subsequent workplans through the failure to complete assignments on time.**

**Risk-based workplan and budget proposal**

19. With respect to risk assessment, the Committee was informed that the 2017/18 workplan was based on four major determinants, namely, a review of key documents, including the report of the High-level Independent Panel on Peace Operations; the results of the previous (2015) risk assessment; consideration of the six critical risks identified in the 2014 Secretariat-wide enterprise risk management framework; and OIOS 2017 high-risk areas.

20. The Inspection and Evaluation Division also informed the Committee that in assessing risk, the Division had examined likelihood, impact and the evaluability factor in order to draw up a list of potential evaluation assignments. This process led to identification of 52 topics which could be taken up in the next three years starting from fiscal year 2017/18. Of these, 23 were considered high-risk; 18, medium-risk; and 11, low-risk.

21. In paragraph 19 of its report A/70/759, the Committee expressed its concern that there was no demonstrated link between the six critical risks of the Organization, and the OIOS risk assessment. During this period, the Committee, in its follow-up with OIOS, was informed that the 52 topics had been prioritized further based on the Secretariat-wide six critical risks and the evaluation cycle, whereby high-risk topics were grouped within the three-year evaluation cycle, medium-risk topics in the five-year cycle and low-risk topics in the eight-year cycle. **The Committee commends the effort of the Inspection and Evaluation Division to demonstrate how its workplans have been guided by the Organization's critical enterprise risk strategy.**

**Capacity gap analysis and the budget proposal**

22. The Committee was informed that based on the assessment, the Inspection and Evaluation Division would have to conduct 8 high-risk evaluations, 4 medium-risk evaluations and 1 low-risk evaluation this year, bringing the total to 13, plus one triennial review. The Inspection and Evaluation Division informed the Committee that the current staffing level of one Chief and 3 evaluation officers would leave a capacity gap of 11 evaluation officers. The Committee was also informed that only 3 of the 11 additional posts could be covered through redeployment, in light of current budgetary restrictions. OIOS informed the Committee that, with three additional posts, the Division would be able to deliver five reports.

23. According to OIOS, the five assignments planned for 2017/18 would encompass:

(a) The United Nations Mission in South Sudan (high-risk);

(b) An evaluation of the development of peacekeeping policy and doctrine (high-risk);

(c) An evaluation of United Nations support to Member States for the training of peacekeeping troops (high-risk);

(d) An evaluation of management, administrative and operational support to peacekeeping missions (high-Risk);

(e) The triennial review of the implementation of recommendations arising from the evaluation of protection from sexual exploitation and abuse (medium-risk).

24. **As the Committee has noted in its previous reports, there is a significant disparity between the regular budget and peacekeeping evaluation staffing levels. Given the value added by the evaluation and inspection function to the oversight regime of the Organization, the Committee believes that OIOS, in augmenting its evaluation capacity, is taking steps in the right direction. Notwithstanding the budgetary constraints facing the Organization, the Committee endorses the resource requirement as proposed.**

## C. Investigations Division

25. In reviewing the budget of the Investigations Division under the support account, the Committee was cognizant of the challenges that have plagued the Division, especially with regard to its operations, internal working relationships and effectiveness.

26. In paragraph 8 of its report A/70/86, the Committee called upon OIOS to devise a strategy for addressing its persisting vacancy issues and to augment efforts to reduce the average number of months required to complete an investigation.

27. During the review process, the Committee was informed that the Investigations Division was addressing these perennial problems and that for the next 12 months, the Division's priority would be recruitment (in order to address the high vacancy rate of 25 per cent), building capacity to investigate cases of sexual exploitation and abuse, training and an increased focus on the investigation of fraud and corruption.

### Workplan implementation

28. In reviewing the implementation of the Investigations Division workplan, the Committee focused on its previous recommendations. Specifically, the Committee was concerned that the high vacancy rates in the peacekeeping section of the Division would negatively impact the ability of OIOS to fulfil its mandate. The Committee also expressed concern over the delays in the completion of investigation assignments.

29. With respect to vacancies, the Committee was informed that OIOS continues to face challenges in respect of attracting and maintaining a highly skilled, talented and professional workforce. In that regard,, the Committee was informed that during the previous 12 months, the Investigations Division had maintained an average vacancy rate of 23 per cent, with the rate having fallen below 2 per cent in January 2016 before rising steadily thereafter. Recalling its previous sessions, at which the Committee was informed that the efforts of the Investigations Division to attract high-calibre applicants had been improving (particularly with respect to achieving greater gender and geographical diversity), the Division indicated that it would continue to explore strategies through which to appeal to experienced professional investigators.

30. OIOS indicated that the increasing focus on fraud and corruption meant that the Investigations Division would have to change its recruitment perspective from one based on past law enforcement competencies to one focused on competencies in, e.g., forensic accountancy, digital forensics and financial investigation.

31. **The Committee welcomes these efforts and looks forward to real and concrete achievements in reducing vacancy rates as well as in improving the gender and geographical disparities that exist within the Division, especially in the field.**

32. With regard to the delays in the disposition of cases of investigation, the Investigations Division informed the Committee of the continued improvements in reducing the number of carryover assignments. The Committee was informed that the headline achievement of the Division was the decrease in the average time required to complete an investigation, from a high of 23 months in 2011 to 11.8 months in 2016. According to OIOS, the fall in average completion time has also been matched by a decrease in the average age of cases, from a high of 17 months in 2012 to 8.1 months in 2016. OIOS therefore believes that it is on the right track towards achieving the targeted six months for completion of its investigations. **The Committee welcomes these developments and encourages OIOS to maintain its effort so that it may achieve the six-month target by the end of this year.**

**Workplan and resource requirement**

33. The Committee was informed that the request of the Investigations Division was in line with its current strategy in terms of staffing, training and building investigations capacity. With respect to resourcing, the Committee was informed that currently, the support account makes up 6 per cent of the resources of the Division, while the regular budget resources make up only 33 per cent, hence the increased attention to the support account budget. OIOS noted that a review of the resourcing needs for each location brought to light inconsistences, which has amplified the need to revisit the Division's overall resourcing strategy.

34. OIOS also noted that the results of this review had led the Investigations Division to propose the creation of an enhanced capacity in New York, as reflected in the request for eight new posts in New York (through establishment, redeployment and reassignment). This would enable the Division to better manage the anticipated drawdown of the United Nations Stabilization Mission in Haiti (MINUSTAH), support the anticipated increase in intake-related matters and provide more investigators with the ability to handle fraud and corruption.

35. The Committee continued to question the rationale behind the request made by OIOS for additional resources for the Investigations Division in light of the consistently high vacancy rates. In response, the Committee was informed that several factors had influenced the decision of OIOS to put forth this proposal including the ease of attracting and retaining staff in New York, the number of support account-funded posts in New York; the need to support the drawdown of MINUSTAH; the heavy workload experienced in New York; the need to respond to cases of sexual exploitation and abuse; and refocusing in respect of fraud and corruption.

36. In light of the above, the Committee sought clarification from the Controller, who provided a context within which the budget of OIOS was reviewed. The Controller informed the Committee that in finalizing the budget of OIOS, she had taken into account the following factors: scalability (inasmuch as some missions were either closing or drawing down); vacancy rates; and the continued focus on field operations in line with the report of the High-level Independent Panel on Peace Operations.

37. On that note, the Controller recommended against the augmentation of the Investigations Division's New York Office; rather, more emphasis was put on field operations resulting in redeployments of four general temporary assistance positions within the Investigations Division and the reassignment of one general temporary assistance position from the Internal Audit Division.

38. **The Committee commends OIOS for devising a strategy designed to address the challenges of the Investigations Division. The Committee is aware that more still needs to be done, especially with respect to the vacancy rates. Moreover, with respect to augmenting the New York Office, the Committee believes that OIOS has not yet provided sufficient justification, particularly given the fact that MINUSTAH is downsizing. The Committee therefore agrees with the Controller's recommendation to redeploy five posts to the field missions, including the one reassignment from the Internal Audit Division to the Investigations Division.**

## IV. Conclusion

39. The members of the Independent Audit Advisory Committee respectfully submit the present report, containing its comments and recommendations, for consideration by the Advisory Committee on Administrative and Budgetary Questions and the General Assembly.

(*Signed*) Maria Gracia M. **Pulido Tan**
Chair
Independent Audit Advisory Committee

(*Signed*) J. Christopher **Mihm**
Vice-Chair
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(*Signed*) Natalia A. **Bocharova**
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**Financial reports and audited financial statements, and reports of the Board of Auditors**

**Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations**

# Implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2016

## Report of the Secretary-General[1]

*Summary*

The present report provides information in response to the recommendations of the Board of Auditors contained in its report on the United Nations peacekeeping operations for the 12-month period ended 30 June 2016 (A/71/5 (Vol. II), chap. II). The report is submitted in accordance with paragraph 7 of General Assembly resolution 48/216 B, in which the Secretary-General was requested to report to the Assembly, at the same time as the Board submitted its recommendations to the Assembly, on measures taken or to be taken to implement those recommendations.

The Administration has concurred with all of the Board's recommendations and many of the Administration's comments have been duly reflected in the report of the Board. The present report provides additional comments from the Administration, where appropriate, and information on the status of implementation, the department responsible, the estimated completion date and the priority for each recommendation contained in the report of the Board. In addition, the present report contains updated information on the status of implementation of the recommendations of the Board relating to the prior periods that were reported by the Board, in annex II to its report, as not having been fully implemented.

[1] The present report was submitted late owing to the long process of obtaining inputs from the relevant departments and offices of the United Nations Secretariat.

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# I. Introduction

1. In paragraph 7 of its resolution 48/216 B, the General Assembly requested the Secretary-General to report to it on the measures that would be taken to implement the recommendations of the Board of Auditors at the same time as the report of the Board was submitted to the Assembly. Accordingly, the present report is submitted in response to the recommendations of the Board contained in its report on the United Nations peacekeeping operations for the 12-month period ended 30 June 2016 (A/71/5 (Vol. II), chap. II).

2. In preparing the present report, account was taken of the provisions of the following documents:

(a) General Assembly resolution 52/212 B, in particular paragraphs 2 to 5 thereof, and the note by the Secretary-General transmitting the proposals of the Board for improving the implementation of its recommendations approved by the Assembly (A/52/753, annex);

(b) Paragraph 7 of General Assembly resolution 70/238 C, in which the Assembly requested the Secretary-General to continue to indicate an expected time frame for the implementation of the recommendations of the Board of Auditors and the priorities for their implementation, including the office holders to be held accountable and measures taken in that regard;

(c) Paragraph 8 of General Assembly resolution 70/238 C, in which the Assembly requested the Secretary-General to provide a full explanation for the delays in the implementation of all outstanding recommendations of the Board, the root causes of the recurring issues and the measures to be taken.

3. With regard to prioritization, the Administration noted that the Board had categorized 17 of the 55 recommendations for the period ended 30 June 2016 as "main recommendations". While all recommendations of the Board will be implemented in a timely manner, the main recommendations will be considered to be of the highest priority.

4. The status of implementation of new recommendations as of February 2017 is summarized in tables 1 and 2.

Table 1
**Status of implementation of main recommendations as of February 2017**

| *Department responsible* | *Number of recommendations* | *Not accepted* | *Implemented or closure requested* | *In progress* | *Target date set* | *No target date* |
|---|---|---|---|---|---|---|
| Department of Field Support | 7 | – | – | 7 | 7 | – |
| Department of Field Support and Department of Management | 5 | – | 2 | 3 | 3 | – |
| Department of Management | 3 | – | – | 3 | 3 | – |
| Department of Peacekeeping Operations | 1 | – | – | 1 | 1 | – |
| Department of Peacekeeping Operations and Department of Field Support | 1 | – | – | 1 | 1 | – |
| **Total** | **17** | **–** | **2** | **15** | **15** | **–** |

5. As indicated in table 1, of the 17 main recommendations issued by the Board, the Administration has requested the closure of 2 and the other 15 are in progress.

Of the 15 main recommendations in progress, 12 are targeted for implementation before the end of 2017 and 3 in 2018.

Table 2
**Status of implementation of all recommendations as of February 2017**

| *Department responsible* | *Number of recommendations* | *Not accepted* | *Implemented or closure requested* | *In progress* | *Target date set* | *No target date* |
|---|---|---|---|---|---|---|
| Department of Field Support | 26 | – | – | 26 | 26 | – |
| Department of Field Support and Department of Management | 15 | – | 2 | 13 | 11 | 2 |
| Department of Field Support and Office of Internal Oversight Services | 2 | – | – | 2 | 2 | – |
| Department of Management | 6 | – | 1 | 5 | 5 | – |
| Department of Peacekeeping Operations | 1 | – | – | 1 | 1 | – |
| Department of Peacekeeping Operations and Department of Field Support | 5 | – | – | 5 | 5 | – |
| **Total** | **55** | **–** | **3** | **52** | **50** | **2** |

6. As indicated in table 2, of the 55 recommendations issued by the Board, closure has been requested for 2, 1 has been implemented and the other 52 are in progress. Of the 52 recommendations in progress, 42 are targeted for implementation before the end of 2017, 8 are due for implementation in 2018 and 2 are of an ongoing nature.

# II. Implementation of the recommendations contained in the report of the Board of Auditors

7. The information requested by the General Assembly on the status of implementation of recommendations contained in the report of the Board of Auditors for the financial period ended 30 June 2016 (A/71/5 (Vol. II), chap. II) is set out below. As indicated in the summary of the present report, most of the Administration's comments have already been included in the report of the Board. Accordingly, additional comments are provided only where deemed necessary.

8. **In paragraph 20 of its report, the Board recommended that the Department of Management provide the census data required for the actuarial valuation of the employee benefits liabilities to the external actuary in a timely manner so as to allow for a thorough review.**

*Department responsible*: Department of Management

*Status*: In progress

*Priority*: High

*Target date*: Second quarter of 2017

9. The Administration's comments are reflected in paragraph 22 of the Board's report. In addition, the Administration wishes to clarify that a coordination meeting with the actuary was held on 19 December 2016 to ensure the timely delivery of

census data. Coordination meetings will be held more regularly for both full revaluation and roll-forward valuation of the employee benefits liabilities.

10. **In paragraph 21 of its report, the Board recommended that the Department of Management implement internal control procedures to ensure that the actuarial valuation of the employee benefits liabilities was reviewed with a view to detecting and avoiding material errors which it might contain.**

| | |
|---|---|
| *Department responsible*: | Department of Management |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Second quarter of 2017 |

11. The Administration informed the actuary on 1 December 2016 that the performance of the actuary in relation to the liability valuation for the United Nations peacekeeping operations as at 30 June 2016 was not proper. At the Administration's request, the actuary prepared, on 9 December 2016, a detailed analysis of the root causes of the errors and proposed remedial measures. Those measures included: (a) regular communication with the Administration; (b) improved documentation of work; (c) early communication of required timelines; and (d) full enforcement of control rules by the actuary. Internally, the Department of Management has strengthened the review and sign-off of the actuarial assumptions and valuation.

12. **In paragraph 27 of its report, the Board recommended that the Department of Management and the Department of Field Support work towards the phasing-out of the standard cost methodology and towards the recognition of the actual associated costs of acquired items of property, plant and equipment that qualified for recognition as assets.**

| | |
|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | Closure requested |
| *Priority*: | High |
| *Target date*: | Not applicable |

13. The Administration's comments are reflected in paragraph 30 of the Board's report. In addition, the Administration notes that although the actual cost methodology would provide the most accurate valuation of plant, property and equipment, the standard cost methodology provides a competent valuation. The incremental accuracy of the actual cost methodology would be marginal and excessively cost-ineffective, as significant investment would be required for the reconfiguration of Umoja, the alignment of business workflow and the training of staff. The current standard cost methodology remains very cost-effective and as competent as the actual cost methodology. With regard to the Board's concern regarding the review of the applied standard cost, the Administration will be able to regularly analyse the validity of the applied standard cost when Galileo is decommissioned and all data for plant, property and equipment are transferred to Umoja. The Administration requests that the Board close the recommendation.

14. **In paragraph 31 of its report, the Board recommended that the Department of Management and the Department of Field Support work**

**towards the recognition of the actual costs of self-constructed items of property, plant and equipment that qualified for recognition as assets.**

| | |
|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Second quarter of 2018 |

15. The Administration's comments are reflected in paragraphs 32 and 33 of the Board's report. In addition, the Administration is of the view that the current depreciated replacement cost methodology provides an acceptable estimate of what the actual cost methodology would provide. The Administration is therefore not in a position to immediately replace the current methodology, but it is reviewing the feasibility of adopting the actual cost methodology for self-constructed assets in conjunction with the decommissioning of Galileo in 2017/18.

16. **In paragraph 40 of its report, the Board reiterated its recommendation that the Administration review the useful lives of fully depreciated assets that were still in use.**

| | |
|---|---|
| *Department responsible*: | Department of Management |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Second quarter of 2018 |

17. The Administration's comments are reflected in paragraph 39 of the Board's report.

18. **In paragraph 44 of its report, the Board recommended that the Administration implement an internal control to ensure that the carry-forward in Umoja's leading ledger was duly performed before the preparation of the financial statements of the peacekeeping operations.**

| | |
|---|---|
| *Department responsible*: | Department of Management |
| *Status*: | Implemented |
| *Priority*: | Medium |
| *Target date*: | Not applicable |

19. The carry-forward in Umoja's leading ledger for December 2016 was performed in January 2017.

20. **In paragraph 48 of its report, the Board recommended that the Department of Management and the Department of Field Support settle receivables from United Nations-related party entities within 12 months.**

| | |
|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

21. The Administration's comments are reflected in paragraph 49 of the Board's report. In addition, the Department of Management has recently implemented a "monthly assurance and monitoring dashboard" for the early detection and timely follow-up of delayed processing of various transactions, including long-outstanding receivables. The Department of Management will also update the monthly closing checklist of field missions with special respect to long-outstanding receivables from United Nations-related entities.

22. **In paragraph 52 of its report, the Board recommended that the Administration strengthen internal communication to ensure that errors having an impact on the financial statements were communicated to the Accounts Division.**

| | |
|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

23. The Administration's comments are reflected in paragraph 51 of the Board's report.

24. **In paragraph 58 of its report, the Board recommended that the missions, in collaboration with the Regional Service Centre in Entebbe, Uganda, implement within the financial year 2016/17 a comprehensive monitoring mechanism for group 1 and group 2 commitments to further improve accountability, to ensure that the commitments were settled or liquidated in the subsequent period and that estimated amounts were as accurate as possible. Regarding group 2 commitments, that would comprise the monitoring of the delivery of committed items within a reasonable period of time.**

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| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

25. The Administration's comments are reflected in paragraph 59 of the Board's report. In addition, the Regional Service Centre will develop a methodology for monitoring prior year group 1 and 2 commitments to ensure that they are settled and/or liquidated in the subsequent financial period. The unsettled group 1 and 2 commitments will be communicated to the budget and finance sections of missions for follow-up with the respective self-accounting units on a quarterly basis. Cost

centres in missions have also been reminded to regularly review their current commitments throughout the financial period for the prompt release of unused funds to facilitate the year-end review. The Department of Management will also provide the Centre with detailed guidelines for valid commitments to ensure more legitimate budgetary expenditure and the proper grouping of commitments for a more accurate accrual of expenses. To ensure compliance with such guidelines, the Department of Management will require field missions to submit the justification for the grouping of each commitment.

26. **In paragraph 79 of its report, the Board recommended that the Department of Peacekeeping Operations develop a common workplan structure for its offices, divisions, sections and units so as to be able to link each of their planned outputs to the compacts of the Under-Secretary-General, the Assistant Secretaries-General and the Military Adviser.**

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| *Department responsible*: | Department of Peacekeeping Operations |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Second quarter of 2017 |

27. The Administration's comments are reflected in paragraphs 78 and 80 of the Board's report.

28. **In paragraph 86 of its report, the Board recommended that the Administration ensure the preparation of the annual financial reports of welfare and recreation committees.**

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| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | Closure requested |
| *Priority*: | High |
| *Target date*: | Not applicable |

29. The Administration's comments are reflected in paragraph 84 of the Board's report.

30. **In paragraph 103 of its report, the Board recommended that the Department of Field Support assess the newly created property management performance index as a results-based budgeting indicator with regard to the quality of data, particularly before and during the decommissioning of the Galileo inventory system.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Fourth quarter of 2017 |

31. As previously communicated to the Board, the Department of Field Support issued an annual directive and a workplan on property management for the 2016/17 financial period, outlining key actions, responsible action owners, key performance

indicators, targets and tolerance rates. Those documents emphasize the critical nature of ensuring inventory accuracy, the reliability of data and the timely recording of all inventory transactions, and the need for continual monitoring to ensure that inventory records correspond to the actual holdings on the ground. The policy will be reinforced in a directive and a workplan for property management for the 2017/18 financial period.

32. The Department of Field Support is also implementing an inventory optimization project, initiated in 2016, with the aim of: (a) maximizing the effectiveness and efficiency of the utilization of United Nations assets deployed in peacekeeping operations; (b) optimizing property holdings based on the re-evaluation of requirements through the identification of any surpluses for redistribution, write-offs and disposal of aged, obsolete and unserviceable equipment; (c) setting up the foundation for realistic requirement formulation, demand forecasting, enhanced acquisition planning and strengthened global asset management, including results driven by the Global Service Centre clearing house processes; and (d) increasing the level of accuracy and completeness of data in property records in support of the International Public Sector Accounting Standards (IPSAS) and the Galileo decommissioning project.

33. **In paragraph 104 of its report, the Board recommended that the Department of Field Support should also help missions to visualize data, drive planning, make decisions and take appropriate actions to improve in the areas of critical shortfalls and underperformance.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2018 |

34. The Administration wishes to clarify that, to implement the recommendation, the Department of Field Support will continue the phased transition to the end-to-end supply chain management solution. The Department is developing supply chain performance metrics based on the supply chain operations reference model, in conjunction with the decommissioning of the Galileo Inventory Management System and the roll-out of the Umoja materials management solution for asset management in the field missions. As previously communicated to the Board, the field analytics workspace will be further enhanced to allow more detailed visualization and analysis of property management performance in peacekeeping operations.

35. **In paragraph 109 of its report, the Board recommended that the Department of Field Support encourage the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA) to conduct a complete physical verification and reconcile the missing items.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

36. The Department of Field Support directed MINUSCA to diligently, comprehensively and rapidly complete the core elements and work packages of the inventory optimization project, which was initiated in June 2016 in all missions. The completion of the project work packages will improve the performance of MINUSCA in the areas of physical verification, record-keeping and stock management and allow sustainable improvement in areas where deficiencies had been observed by the auditors. In addition, the Global Service Centre has deployed a support team to assist MINUSCA in completing those tasks.

37. **In paragraph 120 of its report, the Board recommended that the Department of Field Support ensure that missions strengthen their inventory management so that all items were well arranged according to identity and kept in their registered locations.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Second quarter of 2017 |

38. The Department of Field Support has developed and issued a centralized warehousing manual in line with the implementation of the supply chain management concept. The manual sets out a framework for more efficient warehousing and seeks to ensure that the highest standards of custodianship are upheld in warehouses. An inventory optimization project launched by the Department in 2016 will further improve inventory management in field missions. In addition, the United Nations Interim Security Force for Abyei (UNISFA) has acted on the recommendation by moving transport expendable items from numerous sea containers to the newly constructed centralized warehouse. The expendable items are being arranged in accordance with their identity and bin location number in the new warehouse. The United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) has also acted on the recommendation by completing the physical count of all expendable items in stock in November 2016. In addition, MINUSMA recruited a new warehouse supervisor in Gao in December 2016.

39. **In paragraph 121 of its report, the Board recommended that the Department of Field Support ensure that missions thoroughly inspect their inventory to identify all items and update the Galileo system accordingly.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

40. The comments of the missions and of the Administration are reflected in paragraphs 114, 118, 119 and 122 of the Board's report.

41. **In paragraph 127 of its report, the Board recommended that missions implement the asset management system effectively to avoid the idling of stock and ensure the optimal use of assets in the most economical ways.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

42. Refer to the Administration's comments above relating to the recommendation in paragraph 103 of the Board's report. In addition, missions commenced various corrective actions as follows: (a) The United Nations Interim Force in Lebanon (UNIFIL) is using monthly status reports, prepared by its property management unit, to monitor the progress in implementing the inventory optimization project, and has also completed a thorough review of its non-expendable property stock holdings at the barcode level; and (b) the United Nations Stabilization Mission in Haiti (MINUSTAH) is reducing its spare parts holdings by transferring slow and non-moving spare parts to other peacekeeping operations. MINUSTAH will further reduce its holdings through the disposal of older model vehicles and equipment through commercial sale during the 2016/17 financial period.

43. With regard to the high stock of non-expendable property items observed by the Board in the United Nations Disengagement Observer Force (UNDOF), the Administration reiterates that UNDOF has been extremely restricted in the ability to implement its mandate owing to the security situation on the Bravo side of its area of responsibility. Nevertheless, UNDOF has been required to maintain the inventory necessary to implement its mandate when the situation allows. As UNDOF has been recently redeployed to Camp Faouar, its inventory will again reflect the usual pattern of consumption and utilization of non-expendable property items.

44. **In paragraph 138 of its report, the Board recommended that missions perform a detailed analysis of their functions and document efficiency gains and process effectiveness upon the full implementation of the supply chain management framework. The analysis should detail the inefficiencies and ineffectiveness that existed prior to the implementation of the supply chain management concept.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Fourth quarter of 2017 |

45. In October 2016, the Department of Field Support approved the supply chain management blueprint, which provided more operational guidance to peacekeeping operations on the implementation of the supply chain management concept, including detailed process maps. In addition, a new manual for centralized warehousing has been prepared and will be promulgated during the first quarter of 2017. A survey has been conducted to establish a baseline for the current situation in order to measure the degree of implementation and progress. The Department organized a supply chain management conference from 30 January to 3 February 2017 focused on the implementation of the supply chain management concept and assistance to field missions. In addition, the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) plans to conduct a functionality review and data analysis in order to finalize the full

structural integration of the concept and streamline its functional responsibilities and business protocols.

46. **In paragraph 139 of its report, the Board recommended that missions update the implementation road map to bring it into line with Department of Field Support directives. The road map should be translated into detailed milestones with relevant key performance indicators to measure performance during the implementation process.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Fourth quarter of 2017 |

47. Refer to the Administration's comments above relating to the recommendation in paragraph 138 of the Board's report.

48. **In paragraph 145 of its report, the Board recommended that the Department of Field Support define clear roles and responsibilities for United Nations use and coordination of air assets.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

49. The Administration's comments are reflected in paragraph 144 of the Board's report. In addition, the Administration reiterates that the Global Service Centre's Strategic Air Operations Centre has its own standard operating procedures in place and is collaborating with the Air Transport Section at United Nations Headquarters on amending the current directive on the roles and responsibilities of the United Nations air operations. Once finalized, the updated directive will clearly distinguish the roles and functions to be carried out by the Air Transport Section, the Strategic Air Operations Centre and the Transportation and Movements Integrated Control Centre. The Strategic Air Operations Centre will subsequently update its standard operating procedures accordingly.

50. **In paragraph 146 of its report, the Board recommended that the Department of Field Support realign the strategic air operations objectives so that the Strategic Air Operations Centre and the Transportation and Movements Integrated Control Centre were able to revise their standard operating procedures, key performance indicators, workplans and job descriptions.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Fourth quarter of 2017 |

51. Refer to the Administration's comments above relating to the recommendation in paragraph 145 of the Board's report.

52. **In paragraph 151 of its report, the Board recommended that the Department of Field Support issue guidance to all missions to follow the procedures on air operations to ensure the economy of aviation support operations.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

53. The Department of Field Support is preparing guidance materials for the field missions to follow with regard to the procedures for air operations in the context of special flight requests.

54. **In paragraph 156 of its report, the Board recommended that the Department of Field Support task missions with analysing aircraft requirements in order to reduce the number of their "no flight required" days and ensure that their aircraft were effectively and efficiently used.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

55. UNISFA has agreed to an aircraft cost-sharing arrangement with MONUSCO for the 2016/17 and 2017/18 financial periods. The helicopter fleet has been reduced from six to four, as reflected in the budget for the 2016/17 financial period. UNISFA also requested, through the Department of Field Support, that the Procurement Division revise the parameters of one of its long-term air charters to include a double crew, which will result in the further reduction of "no flight required" days. As previously communicated to the Board, other measures to improve the effectiveness and efficiency of the utilization of UNISFA aircraft will include: (a) deliberating on periodic assessments and changes to the weekly flight schedule to improve aircraft utilization and reduce redundant flight routes; (b) coordinating with other missions in the tasking of shared air assets; and (c) repositioning and adjusting the activities of the aircraft main operations base as needed.

56. **In paragraph 166 of its report, the Board recommended that the Department of Field Support, together with missions, ensure the recovery of liquidated damages for the non-provision of unmanned aerial system services in accordance with the relevant contracts.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Third quarter of 2017 |

57. The Administration's comments are reflected in paragraph 167 of the Board's report. In addition, it should be noted that, on a monthly basis, MONUSCO provides the Department of Field Support with detailed information on services rendered by the unmanned aerial systems operator in the form of a certified monthly aviation report on the utilization of unmanned aerial vehicles. A wide range of deductions have also been taken from the invoices of the unmanned aerial systems provider, where deemed contractually appropriate. In addition, the Department of Field Support, in conjunction with the Department of Management and the Office of Legal Affairs, is working towards the final resolution of the liquidated damages matter with the unmanned aerial systems provider.

58. **In paragraph 180 of its report, the Board recommended that the Department of Field Support encourage missions to strengthen the security measures and controls of the electronic vehicle fleet management system (CarLog) and the electronic fuel management system in order to prevent or detect fuel fraud and theft even more than had hitherto been the case.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

59. The comments of the United Nations Mission in Liberia (UNMIL) and of the Administration are reflected in paragraphs 171, 173 and 178 of the Board's report. The Administration also wishes to clarify that the Department of Field Support is encouraging missions to implement version 2 of the electronic fuel management system (EFMS2) as the standard application for the management of fuel, which provides the missions with effective tools for gathering information on fuel consumption, allocating the required resources for effective fuel consumption control and deterring fuel theft. The Department will communicate with all missions concerning the effective use of the system and the assignment of proper resources.

60. Missions are also making efforts to implement the recommendation as follows: (a) UNDOF has procured software to automatically reconcile the data received from the CarLog and FuelLog systems and highlight any discrepancies in the records; reports are now drawn on a monthly basis from both systems and the transport section of each mission analyses the data, investigates any anomalies and takes further action, if required; (b) as a result of the measures taken by UNMIL to strengthen controls in fuel management, there have been no fuel thefts there since July 2016; and (c) MONUSCO has implemented fraud prevention programmes through subunits within its Fuel Unit, which monitor fuel activities by analysing data and conducting inspections, so that when a case of fuel fraud is suspected, it is reported to the MONUSCO Security Investigation Unit for investigation.

61. **In paragraph 191 of its report, the Board recommended that the Department of Field Support improve the monitoring of the procurement sections of missions, in particular with regard to their organization, the engagement of new procurement staff and the completion of training.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Second quarter of 2017 |

62. The Administration's comments are reflected in paragraphs 186 and 189 of the Board's report. In addition, the Administration wishes to report that the outstanding quarterly reports from field missions have been submitted to the Office of Central Support Services in the Department of Management, and that the Field Procurement Liaison Team in the Department of Field Support is now fully staffed. The Department of Field Support has also obtained data on staffing tables and the completion of procurement courses by the procurement staff in the field and is in the process of analysing it.

63. **In paragraph 204 of its report, the Board recommended that the Administration establish a procedure to support and monitor missions' preparation of acquisition plans to ensure that all the necessary data were included.**

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| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

64. The Administration's comments are reflected in paragraphs 202 and 205 of the Board's report.

65. **In paragraph 206 of its report, the Board recommended that the Administration establish a procedure that allowed for the evaluation and analysis of mission requirements, the development of a global acquisition plan and, on that basis, the development of a procurement strategy.**

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| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Third quarter of 2017 |

66. The Administration's comments are reflected in paragraph 207 of the Board's report.

67. **In paragraph 208 of its report, the Board recommended that the Procurement Division coordinate with the Department of Field Support on how to include the process of establishing the regional acquisition plan of the Regional Procurement Office in the process of developing the global acquisition plan.**

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| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Third quarter of 2017 |

68. The Administration's comments are reflected in paragraphs 209 of the Board's report.

69. **In paragraph 217 of its report, the Board recommended that the procurement officers and requisitioners track and monitor procurement procedures covering the relevant steps, and that they share this information.**

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| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | First quarter of 2018 |

70. The Administration's comments are reflected in paragraphs 214, 215 and 218 of the Board's report.

71. **In paragraph 229 of its report, the Board recommended that the Administration encourage missions to use systems contracts whenever feasible.**

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| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Ongoing |

72. The Administration's comments are reflected in paragraphs 227 and 228 of the Board's report.

73. **In paragraph 230 of its report, the Board recommended that the Regional Procurement Office, in collaboration with the Department of Field Support, examine the reasons that prevented missions from initiating or using regional systems contracts in order to identify improvement measures.**

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| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Third quarter of 2017 |

74. The Administration's comments are reflected in paragraph 231 of the Board's report.

75. **In paragraph 246 of its report, in the light of the high percentage of vacant posts, the Board recommended that the Procurement Division and the Regional Procurement Office analyse the Office's required workforce.**

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| *Department responsible*: | Department of Management |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Third quarter of 2017 |

76. The Administration's comments are reflected in paragraphs 235, 244 and 247 of the Board's report. In addition, in spite of the vacancies, the work assigned to the Regional Procurement Office was shared and performed by the available staff, which was necessary in order to fulfil the operational requirements of the clients. That created an unusually high strain on the Office's staff, which is not sustainable. In the context of the regularization of the Office, additional efforts are being made, in collaboration with the Department of Field Support, the Office of the Controller and various other offices, to find the most suitable financing structure for the Regional Procurement Office, thereby creating a more sustainable and operational resource management model.

77. **In paragraph 248 of its report, the Board recommended that the role of the Regional Procurement Office be further defined in order to integrate it into the existing procurement structure (mission procurement sections and the Procurement Division) to allow for full usage of the Office, in accordance with General Assembly resolution 70/286.**

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| *Department responsible*: | Department of Management |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Third quarter of 2017 |

78. The Administration's comments are reflected in paragraph 249 of the Board's report.

79. **In paragraph 257 of its report, the Board recommended that the Administration evaluate the civilian staffing reviews as an instrument for assessing the staffing structure of missions to determine the way forward.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Third quarter of 2017 |

80. The Administration's comments are reflected in paragraph 256 of the Board's report.

81. **In paragraph 270 of its report, the Board recommended that the Administration support missions in determining whether the engagement of external consultants/individual contractors was required or whether the relevant expertise/capacity was available within the Organization. In the event that in-house capacity could not carry out core functions, the Administration and missions should develop and implement a strategy for a long-term solution.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Fourth quarter of 2017 |

82. The Administration's comments are reflected in paragraph 268 of the Board's report.

83. **In paragraph 271 of its report, the Board recommended that the Administration require missions to describe projects that required consultants/individual contractors in greater detail and more realistically. In particular, they should outline specific, measurable, attainable, results-based and time-bound outputs and functions and should establish milestones and evaluate performance.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Fourth quarter of 2017 |

84. The Administration's comments are reflected in paragraph 268 of the Board's report.

85. **In paragraph 280 of its report, the Board recommended that the Administration continue its efforts to monitor the use of temporary duty assignments received and released from/to Headquarters and missions and compile complete data, including the associated costs.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Second quarter of 2017 |

86. The Administration's comments are reflected in paragraphs 277 and 278 of the Board's report. In addition, the Administration wishes to report that the Department of Field Support is exploring the possibility of using Umoja business intelligence as a reporting tool for official travel for international staff on temporary duty assignments. A communication will also be sent to all missions reinforcing the need for staff members to indicate the reason for temporary duty assignments when making official travel requests in Umoja and reiterating that missions should report all temporary duty assignments to the Department of Field Support on a regular basis.

87. **In paragraph 288 of its report, the Board recommended that the Administration examine whether an interface between the electronic performance appraisal system (e-PAS) and Umoja could be established at a reasonable cost to ensure that the processing of salary increments for staff was linked to e-PAS. In the meantime, the Administration should ensure that staff appraisals were completed in line with performance management and policy and that those salary increments were given on the basis of satisfactory performance as documented in e-PAS.**

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| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Fourth quarter of 2018 |

88. The Administration's comments are reflected in paragraphs 287 and 289 of the Board's report.

89. **In paragraph 294 of its report, the Board recommended that the Administration ensure that the complete personnel files of international staff were registered in one location or within one system, managed by Headquarters, and explore the possibility of establishing a registry with digitized staff personnel files.**

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| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Fourth quarter of 2017 |

90. The Administration's comments are reflected in paragraphs 293 and 295 of the Board's report.

91. **In paragraph 303 of its report, the Board recommended that the Administration remind missions of the requirement for business continuity plans and disaster recovery plans and for information and communications security awareness.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Fourth quarter of 2017 |

92. The Administration's comments are reflected in paragraph 304 of the Board's report. In addition, the Administration wishes to report that missions are taking the following actions to address the recommendation:

(a) MINUSMA has updated the Communications and Information Technology Section's disaster recovery plan, and exercises are held twice a year as recommended by the Board;

(b) UNDOF has established a plan to address the recommendation that has a target date for full implementation in the fourth quarter of 2017;

(c) MONUSCO tested the disaster and recovery plan in October 2016.

93. **In paragraph 309 of its report, the Board recommended that the Administration remind missions about the appropriate storage of information and communications technology equipment.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

94. The missions are taking the following actions to implement the recommendation:

(a) The African Union-United Nations Hybrid Operation in Darfur (UNAMID) ensured that the fire extinguishers in its equipment room were in working condition. UNAMID also installed a video surveillance system at its data centre and is in the process of acquiring an access control system for the centre. In addition, UNAMID has acquired and tested the EnCase forensic software for wiping data from hard drives before they are disposed of;

(b) UNISFA has requisitioned shelving materials to ensure the appropriate storage of ICT equipment. In addition, work orders were prepared for the Engineering Section to lift the storage containers and set up additional blocks in order to raise the containers above the water level expected for the rainy season;

(c) MINUSMA has designed a new equipment room at the its base of operations and construction is expected to be completed in 2017;

(d) The United Nations Support Office in Somalia (UNSOS) is in the process of moving its data centre to a new location within the United Nations Office at Nairobi that complies with all access procedures. The move is expected to be completed in the first quarter of 2017;

(e) UNDOF has reminded its personnel about the obligatory nature of the information security awareness course, and plans to install surveillance cameras and better access controls for server rooms;

(f) MONUSCO has installed a video recording system as an access control to its equipment rooms, and plans to complete the construction of an off-site backup facility at the Civil Aviation Authority in the first quarter of 2017.

95. **In paragraph 324 of its report, the Board recommended that the Administration remind missions on a half-yearly basis to store vaccines and other cold-chain products as required at all times.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Second quarter of 2017 |

96. The Administration will communicate with the missions to remind them to store vaccines and other cold-chain products in accordance with the established procedures. The Administration also wishes to report that missions are taking actions to address the recommendation as follows: (a) UNISFA has transferred all vaccines to a refrigerator with built-in temperature regulators; (b) the United Nations Peacekeeping Force in Cyprus (UNFICYP) has arranged a contract with a local pharmacy for the supply of medicines and vaccines that are not frequently used so that the mission does not need to store such medicines and vaccines; and (c) UNMIL has established a mechanism to enhance the timely delivery of drugs.

97. **In paragraph 329 of its report, the Board recommended that missions formulate and finalize a mission-specific environmental policy without delay.**

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| *Departments responsible*: | Department of Peacekeeping Operations and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Third quarter of 2017 |

98. UNFICYP, UNIFIL and the United Nations Mission for the Referendum in Western Sahara (MINURSO) are drafting their local environmental policies. In addition, the Administration wishes to clarify that, from the perspective of Headquarters, the development of mission-specific environmental policies is becoming less of a priority. A review of the Department of Peacekeeping Operations/Department of Field Support Environmental Policy determined that it provides a good regulatory framework that serves both the global and local levels well. Therefore, the upcoming revision of the Policy will remove the requirement for missions to develop their own environmental policies. However, requirements for mission-wide environmental action plans will remain.

99. **In paragraph 335 of its report, the Board recommended that the Department of Field Support remind missions to fill vacant Environmental Officer posts.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Fourth quarter of 2017 |

100. The Administration's comments are reflected in paragraphs 333, 334 and 336 of the Board's report. The missions have also taken some actions as follows: (a) MINURSO and UNISFA have each recruited an Environmental Officer; and (b) UNFICYP has appointed an Environmental Committee to oversee the Health and Safety Assistant who manages its environmental portfolio.

101. **In paragraph 340 of its report, the Board recommended that the Department of Field Support provide missions with a template for a mission-wide environmental action plan to ensure harmonization across missions, and that all missions promulgate updated mission-wide environmental action plans.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Third quarter of 2017 |

102. The Administration's comments are reflected in paragraphs 341 to 343 of the Board's report.

103. **In paragraph 348 of its report, the Board recommended that, to reduce their environmental footprint, the missions coordinate with the Global Service Centre and the Environment Section of the Department of Field Support to receive mission-specific technical assistance, when required and within the parameters of**

**available resources, from the United Nations Environment Programme and the Rapid Environment and Climate Technical Assistance Facility.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

104. The Administration's comments are reflected in paragraphs 346, 347 and 349 of the Board's report.

105. **In paragraph 357 of its report, the Board recommended that the Department of Peacekeeping Operations and the Department of Field Support enhance their monitoring function by requesting missions to regularly update the status of environmental focal points.**

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| *Departments responsible*: | Department of Peacekeeping Operations and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | First quarter of 2017 |

106. The Administration's comments are reflected in paragraphs 356 and 358 of the Board's report.

107. **In paragraph 363 of its report, the Board recommended that the Department of Peacekeeping Operations and the Department of Field Support ensure that the mandatory training delivered for the contingents of troop-contributing countries during their predeployment training included a module on environmental management.**

| | |
|---|---|
| *Departments responsible*: | Department of Peacekeeping Operations and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Fourth quarter of 2018 |

108. The Administration's comments are reflected in paragraphs 364 to 367 of the Board's report.

109. **In paragraph 384 of its report, the Board recommended that the Department of Peacekeeping Operations and the Department of Field Support request missions to comply with departments' environmental management and waste management rules and to report regularly on the status of environmental and waste management issues.**

| | |
|---|---|
| *Departments responsible*: | Department of Peacekeeping Operations and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Fourth quarter of 2017 |

110. The comments of the missions and of the Administration are reflected in paragraphs 370, 372, 375, 379, 381 and 385 of the Board's report. In addition, the Administration wishes to report that the missions have taken the following actions:

(a) UNAMID acted to ensure the safe handling, storage and disposal of oil, lubricants and hazardous materials. It also appointed an Environmental Officer who is responsible for oversight and control, thereby ensuring compliance with policies and procedures on environmental and waste management;

(b) UNISFA has developed and promulgated mission-specific environmental policies and guidelines. The documents cover the management of water, wastewater, energy, solid waste, hazardous waste and other wider environment matters. In addition, UNISFA has developed and circulated a standard operating procedure for the management of waste in its camps, and has promulgated an environment statement that focuses on the promotion of hygiene and sanitation in all UNISFA camps. In that regard, hygiene and sanitation task forces have been formed at the UNISFA headquarters and team-site levels;

(c) UNSOS has taken measures to facilitate the appointment of environmental focal points and expedite the recruitment process for the position of an Environmental Officer. The Office has also established the Facilities and Environmental Management Section, which is implementing various environment-related initiatives in Mogadishu and other parts of Somalia;

(d) UNMIL has developed an interim risk management plan that focuses on maximizing the amount of wastewater treated by facilities owned and operated by the United Nations. Two wastewater treatment facilities were established in Monrovia and Zwedru;

(e) MONUSCO is developing a standard operating procedure for environmental requirements on fuel activities and generator housing infrastructure. The standard operating procedure will provide clear guidelines on environmental protection requirements in order to enable responsible offices to withhold reimbursements for non-compliant contingents, which in turn will provide a financial incentive to become compliant. In addition, a Military Environmental Inspector has been included in the Environmental Protection Unit to enhance the compliance of military personnel. A working group between the MONUSCO forces and the Environmental Protection Unit has been set up to better enforce the environmental policy within the military contingents;

(f) MINUSCA has provided heavy-duty coloured bins with lids for use by all personnel in order to ensure that there is segregation of solid waste, as part of raising the environmental awareness of personnel. Also, a long-term contract comprising: (a) the supply, installation and commissioning of incinerators, shredders and balers; (b) the supply of wheeled bins for garbage segregation; and (c) training to operate equipment was awarded in September 2016. The contract will allow for the processing of solid waste in four locations.

111. The Administration also wishes to state that the environment strategy, which was launched by the Department of Field Support in November 2016, is divided into

two parts. The first part is to achieve, by July 2020, progress against established objectives with regard to five key pillars: energy, water and wastewater, solid waste, wider impact and environmental management system (including improving analytics to effectively monitor progress). The second part is to set specific targets for the five pillars for the implementation of the strategy by June 2023. As previously communicated to the Board, the Department has developed a template for mission-wide environmental action plans, which would be part of a formal reporting mechanism. In addition, the Department is currently developing environmental scorecards for missions. The reporting mechanism, including scorecards that will be self-reported by peacekeeping operations, is scheduled to be implemented in the fourth quarter of 2017. In addition, in December 2016, the Department of Field Support requested that all missions be involved in implementing the environment strategy and to immediately implement some tasks, such as the acquisition of low-cost monitoring items, for example, energy meters, water meters and groundwater monitoring instruments.

112. **In paragraph 390 of its report, the Board recommended that MINUSTAH, the United Nations Interim Administration in Kosovo (UNMIK) and UNIFIL ensure the timely approval and release of funds for quick-impact projects so that the purposes of such projects could be optimally served.**

| | |
|---|---|
| *Departments responsible*: | Department of Peacekeeping Operations and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

113. The Administration's comments are reflected in paragraphs 388 and 391 of the Board's report. In addition, UNIFIL closely monitors the timeliness of obligated funds for quick-impact projects. The identification and assessment of needs and the development of proposals for projects are undertaken continually throughout the year by civil affairs field teams, together with concerned military components. UNIFIL Project Review Committee meetings are convened once a month, or more frequently if required, to review the proposals received. MINUSTAH has also acted on the recommendation by providing training to the focal points for quick-impact projects and updating tracking and monitoring tools for quick-impact projects.

114. **In paragraph 398 of its report, the Board recommended that the Department of Field Support update regularly the description of its structure and the core functions of its divisions to determine accountabilities and administrative responsibilities.**

| | |
|---|---|
| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Third quarter of 2017 |

115. The Administration's comments are reflected in paragraph 397 of the Board's report.

116. **In paragraph 411 of its report, the Board recommended that the Administration continue its work to enhance the quality of the data in Umoja**

**and to create reports enabling monitoring, especially in the light of the upcoming decommissioning of the Galileo asset management system and the cleansing and migration of its inventory holdings.**

| | |
|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Ongoing |

117. The Administration's comments are reflected in paragraphs 408 and 409 of the Board's report.

118. **In paragraph 421 of its report, the Board recommended that the Administration obtain complete information and establish the facts.**

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|---|---|
| *Departments responsible*: | Department of Field Support and Office of Internal Oversight Services |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2018 |

119. The Administration's comments are reflected in paragraphs 419 and 420 of the Board's report.

120. **In paragraph 422 of its report, the Board recommended that the mission strengthen its internal control mechanism to prevent the recurrence of such cases.**

| | |
|---|---|
| *Departments responsible*: | Department of Field Support and Office of Internal Oversight Services |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Fourth quarter of 2018 |

121. As indicated in paragraph 420 of the Board's report, the Office of Internal Oversight Services will assess the effectiveness of the internal controls mechanism of MINURSO during its next audit scheduled for 2018.

## III. Implementation of the recommendations contained in the reports of the Board of Auditors concerning United Nations peacekeeping operations for prior financial periods

122. In paragraph 8 of its resolution 70/238 C, the General Assembly requested the Secretary-General to provide, in his next report on the implementation of the recommendations of the Board of Auditors concerning the United Nations peacekeeping operations, a full explanation for the delays in the implementation of all outstanding recommendations of the Board, the root causes of the recurring

issues and the measures to be taken. Such explanations have been included in the Administration's detailed comments relating to the relevant recommendations.

123. The overall status of implementation, as at 30 June 2016, of the 143 recommendations contained in the Board's reports for the three prior financial periods is shown in table 3.

Table 3
**Overall status of implementation of the recommendations of the Board of Auditors from prior financial periods, as at 30 June 2016**

| *Period/report* | *Total* | *Fully implemented* | *In progress* | *Overtaken by events* |
|---|---|---|---|---|
| 2012/13/A/68/5 (Vol. II), chap. II | 49 | 46 (94%) | 3 (6%) | – |
| 2013/14/A/69/5 (Vol. II), chap. II | 63 | 55 (87%) | 3 (5%) | 5 (8%) |
| 2014/15/A/70/5 (Vol. II), chap. II | 31 | 15 (48%) | 11 (32%) | 5 (16%) |
| **Total** | **143** | **116 (81%)** | **17 (12%)** | **10 (7%)** |

124. In annex II to its report for the period ended 30 June 2016 (A/71/5 (Vol. II), chap. II), the Board provided a summary of the status of implementation as at 30 June 2016 of the 63 outstanding recommendations relating to the three prior financial periods. Of the 63 recommendations, 39 (62 per cent) had been fully implemented by the Administration, 17 (27 per cent) were in progress and 7 (11 per cent) had been overtaken by events.

125. Table 4 provides a detailed analysis of the status of implementation, as of February 2017, of the 17 recommendations assessed by the Board to be in progress. In paragraph 10 of its report, the Board acknowledged that its recommendations often required actions for compliance and might in some cases require a long time frame for implementation.

Table 4
**Status of implementation of outstanding recommendations from prior periods, as of February 2017**

| *Department responsible* | *Number of recommendations* | *Not accepted* | *Implemented or closure requested* | *In progress* | *Target date set* | *No target date* |
|---|---|---|---|---|---|---|
| Department of Field Support | 6 | – | 2 | 4 | 3 | – |
| Department of Field Support and Department of Management | 7 | – | 1 | 6 | 5 | 1 |
| Department of Management | 2 | – | – | 2 | 2 | – |
| Department of Peacekeeping Operations and Department of Field Support | 2 | – | – | 2 | 2 | – |
| **Total** | **17** | **–** | **3** | **14** | **13** | **1** |

126. Of the 17 recommendations that were in progress as shown in annex II to the Board's report (A/71/5 (Vol. II), chap. II), the Administration has requested the closure of 3 recommendations. Of the 14 recommendations that remain in progress as of February 2017, 11 are targeted for implementation before the end of 2017, while 2 are due for implementation in 2018 and 1 is of an ongoing nature.

## A. Report of the Board of Auditors for the 12-month period ended 30 June 2013 (A/68/5 (Vol. II), chap. II)

127. **In paragraph 44 of the Board's report, the Procurement Division accepted the Board's recommendation that it enhance the collection of contractor performance reports, and make better use of the information, to facilitate decision-making in contract awards or extensions.**

| | |
|---|---|
| *Department responsible*: | Department of Management |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Fourth quarter of 2018 |

128. The supplier performance functionality within Umoja aims to evaluate the supplier performance process, consolidate supplier and/or contract performance data captured in the system, and if required, initiate and coordinate a review to determine any recommended actions. The supplier performance functionality and reporting is planned as part of Umoja Extension 2, the actual deployment date of which is dependent upon the decision of the General Assembly.

129. **In paragraph 93 of its report, the Board recommended that the Department of Field Support and the Office of Human Resources Management develop a national staff recruitment standard operating procedure and establish how they would monitor and enforce mission compliance.**

| | |
|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | Closure requested |
| *Priority*: | Medium |
| *Target date*: | Not applicable |

130. The Administration considers the recommendation to be implemented and reiterates that the Department of Field Support issued guidelines for the selection of locally recruited staff members in United Nations peacekeeping operations and special political missions to all missions in July 2016. The Administration requests that the Board close the recommendation.

131. **In paragraph 141 of the Board's report, the Administration agreed with the Board's recommendation that it develop a more systematic approach for missions to draw on when implementing global field support strategy tools and principles. This will include a plan on how such tools and principles will be deployed in missions after the five-year project duration.**

| | |
|---|---|
| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Fourth quarter of 2017 |

132. A global field support strategy tools checklist will be incorporated into the revision of the Mission Start-up Field Guide, one of the key guides for the Department of Peacekeeping Operations and the Department of Field Support. The Guide will also include revised mission structures for field support components, which were promulgated as part of the global field support strategy. Other guidance materials that have been developed or are under development are based on outcomes of the global field support strategy and include the new manual for centralized warehousing that was promulgated in January 2017.

## B. Report of the Board of Auditors for the 12-month period ended 30 June 2014 (A/69/5 (Vol. II), chap. II)

133. **In paragraph 114 of its report, the Board recommended that a system for the monitoring of the timelines of the various stages of the procurement process be instituted to reduce or eliminate delays in procurement.**

| | |
|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Second quarter of 2017 |

134. The Administration wishes to report that the system for tracking timelines of the various stages of the procurement process is being instituted through Umoja. The Department of Management, in consultation with the Department of Field Support, is developing numerous standardized Umoja business intelligence reports, which will be used to monitor timelines in the procurement process.

135. **In paragraph 358 of its report, the Board recommended that the Administration explore mechanisms to provide remote access to onboarding staff at the missions to enable them to complete formalities, thereby obviating the necessity of their visiting the Regional Service Centre. Until such time as check-in/check-out services are provided from the Centre, it should report the expenditure incurred on the daily subsistence allowance/mission subsistence allowance of checking-in and checking-out personnel.**

| | |
|---|---|
| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | First quarter of 2017 |

136. A review of the onboarding process has been conducted, and only missions with regular flight schedules to Entebbe require staff members to check-in at the Regional Service Centre there. Staff members from all other Regional Service Centre client missions are onboarded remotely. In addition, the Centre's onboarding and separation service line is actively engaged with client missions to streamline the check-in/check-out process. It is expected that the procedures will be reissued during the 2016/17 financial period. Because the civilian predeployment training has been relocated to Entebbe, Centre management will revisit options to check in staff who attend that training before reporting for duty at their respective missions.

137. **In paragraph 417 of its report, the Board recommended that: (a) the Administration develop a comprehensive information security policy that includes detailed protocols that should be followed by missions and user units to secure information technology assets; (b) a concerted awareness drive be undertaken to sensitize users with regard to the threats to information security and the basic steps that should be adopted by all for cyberhygiene; (c) missions develop and implement formal information security incident management programmes delineating clearly the roles and responsibilities of ICT security personnel; and (d) the Administration explore the setting-up of an Organization-wide computer emergency response team to coordinate and respond to cyberincidents and cyberthreats and carry out real-time analysis in order to develop defensive measures to secure United Nations information assets, resources and data.**

| | |
|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Second quarter of 2017 |

138. The Board confirmed in annex II of its current report (A/71/5 (Vol. II), chap. II) that parts (a), (b) and (c) of the recommendation have been fully implemented.

139. Regarding part (d) of the recommendation, the Global Service Centre is exploring a subscription to a cyberintelligence feed and is working with the security focal points of all missions to identify the best security incident and event management solution to address threats and respond to incidents. The first draft of a feasibility study for the implementation of a computer security incident response team project is being produced. The team has already agreed on the content, and the document will be released for review in the first quarter of 2017.

## C. Report of the Board of Auditors for the 12-month period ended 30 June 2015 (A/70/5 (Vol. II), chap. II)

140. **In paragraph 33 of its report, the Board reiterated its recommendations made in its previous report that: (a) efforts be intensified to make the budget as realistic as possible by exercising greater vigilance and control over budget formulations factoring in actual conditions and historical trends; and (b) redeployments be minimized and that they be permitted only with full justification detailing the change in priorities or circumstances that could not have been anticipated.**

| | |
|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Ongoing |

141. As the Administration has mentioned in previous years, variances and budget redeployments are inevitable between the time of appropriation and the time of

expenditure when circumstances that were not foreseeable at the time of budget formulation arise during the period of budget implementation. The Administration is aware of the need to present the updated budget parameters used and remains committed to improving budget formulation and management through refined costing requirements, realistic planning assumptions and improvements in budgetary controls.

142. **In paragraph 58 of its report, the Board reiterated its earlier recommendations that the Administration: (a) strengthen asset management and monitoring practices in accordance with the directive for property management; (b) improve acquisition planning by establishing a closer linkage between actual procurement and delivery of items and their actual requirement and deployment; (c) ensure periodic physical verification of inventory and timely tracing of assets that are not found; and (d) enhance the database relating to movement and usage of stock for more accurate decision-making and assessments.**

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|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Fourth quarter of 2017 |

143. The Board has confirmed in annex II of its current report that parts (a) and (c) of the recommendation were fully implemented and that part (b) was overtaken by events.

144. With regard to part (d), the Department of Field Support wishes to report that the Galileo Inventory Management System will be decommissioned following the cleansing and migration of data to Umoja.

145. **In paragraph 66 of its report, the Board recommended that the Administration strengthen the composition review process for strategic deployment stocks in consonance with field requirements and ensure that items in strategic deployment stocks were regularly rotated.**

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|---|---|
| *Department responsible*: | Department of Field Support |
| *Status*: | Closure requested |
| *Priority*: | High |
| *Target date*: | Not applicable |

146. As previously communicated to the Board, the Global Service Centre has already established a robust composition review process of strategic deployment stocks that involves: (a) detailed analysis of the consumption history of such stocks and the acquisition trends of field missions during the past five fiscal years; and (b) alignment with the global field support strategy modularization programme requirements. An effective stock rotation process is already in place, in compliance with the revised policy on global asset management, in which missions are required to obtain clearance from the Global Service Centre prior to entering into any sourcing activity. The Administration considers the recommendation to be fully implemented and requests that the Board close it.

147. **In paragraph 78 of its report, the Board recommended that the Administration: (a) continue to make efforts to improve budget planning and control overexpenditure on travel; (b) ensure strict enforcement of the policy on advance purchase of tickets, except in exceptional circumstances; (c) determine accountability for deviations from the rules and instructions; and (d) consider fixing responsibility for travel without prior written authorization.**

| | |
|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Fourth quarter of 2017 |

148. The Board has confirmed in annex II of its current report that part (a) of the recommendation has been fully implemented.

149. With regard to parts (b), (c) and (d) of the recommendation, with the implementation of Umoja, the Administration is developing a more comprehensive compliance report, which will provide detailed information relating to non-compliance. The new report will include information on late submissions of travel requests, as well as cases in which approvals by the travel and shipment approver and by the travel processing office have taken more time than usual. The report will improve the monitoring of and compliance with the provisions of the administrative instruction on official travel relating to advance purchase of tickets (see ST/AI/2013/3).

150. **In paragraph 110 of its report, the Board recommended that the Administration review its requirements for unmanned aerial vehicle systems in order to optimize their numbers and usage and assess whether costs can be reduced without compromising operations.**

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|---|---|
| *Department responsible*: | Department of Field Support |
| *Status*: | Closure requested |
| *Priority*: | High |
| *Target date*: | Not applicable |

151. The Department of Field Support assessed the requirements of unmanned aerial systems in MONUSCO and subsequently initiated a new solicitation exercise to replace the current contract in order to improve and optimize their use and operations. The utilization of unmanned aerial systems is subject to the operational tempo and the concept of operations in each mission. In order to optimize the use of such systems, previous lessons learned are being applied to the new acquisition process and operations. In addition, a mechanism has been established whereby unmanned aerial systems requirements, including their potential use, are reviewed annually during the budget preparation process for field missions. The Administration considers the recommendation to be fully implemented and requests that the Board close it.

152. **In paragraph 194 of its report, the Board recommended that the missions: (a) ensure timely action in the beginning of the financial year for the selection and approval of quick-impact projects, taking into account all factors affecting implementation so that the projects are completed within the targeted time;**

**(b) improve internal coordination between its Budget and Finance and Quick-Impact Projects sections to ensure timely release of payments; and (c) enhance project monitoring and evaluation.**

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|---|---|
| *Departments responsible*: | Department of Peacekeeping Operations and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2017 |

153. The Department of Peacekeeping Operations and the Department of Field Support are conducting a review of the policy and guidelines on quick-impact projects. The revision process will result in improved guidance to field missions with regard to the planning and evaluation of quick-impact projects.

154. **In paragraph 242 of its report, the Board recommended that all missions and service centres complete the development of structured risk registers as part of the implementation of enterprise risk management in accordance with the Department of Peacekeeping Operations/Department of Field Support guidelines, monitor and update the risks and take steps to mitigate them by making it part of the senior management review and decision-making.**

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|---|---|
| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | Medium |
| *Target date*: | Second quarter of 2018 |

155. The Administration wishes to report that, in addition to the pilot risk assessment completed at MONUSCO in early 2015, risk registers were developed in three missions (UNIFIL, UNMIL and UNMIK) and in the Global Service Centre during the 2015/16 financial period. Training was provided to risk management focal points at a workshop held at the Regional Service Centre in April 2016. The Department of Field Support is continuing with the phased implementation of enterprise risk management in the remaining missions and has provided them with guidance to establish risk management capacities.

156. **In paragraph 259 of its report, the Board recommended that: (a) mainstreaming activities be monitored through documented regular meetings of the Strategic Project Oversight Committee and other institutional mechanisms to ensure timely and effective risk mitigation and mid-course corrections; and (b) the global field support strategy approaches and tools identified for mainstreaming be embedded in the relevant standard operating procedures and manuals so that their benefits might be realized.**

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| *Department responsible*: | Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Fourth quarter of 2017 |

157. The Board has confirmed in annex II of its current report that part (a) of the recommendation has been fully implemented.

158. With regard to part (b) of the recommendation, the Department of Field Support has made further progress in terms of mainstreaming the global field support strategy approaches, including refining its management forums, designing new mission and vision statements for the Department, scaling up work on the supply chain management strategy, introducing a harmonized performance framework for mission support components in the results-based budgets for the 2017/18 financial period, institutionalizing the global client satisfaction survey, continuing the civilian staffing reviews and expanding options for enabling capacity through the United Nations Office for Project Services.

159. In terms of mainstreaming global field support strategy tools and guidance, the revision of the Mission Start-up Field Guide is expected to be complete in 2017. The Guide will incorporate a global field support strategy tools checklist and include the revised mission structures for field support components promulgated as part of the strategy. Other guidance materials, which have either been developed or are under development, are based on global field support strategy outcomes. Examples include a manual for centralized warehousing that was promulgated in January 2017, guidelines for cost-benefit analysis and the environmental strategy.

160. **In paragraph 282 of its report, the Board recommended that: (a) the implementation of the workforce planning framework progress in a time-bound manner; (b) steps be initiated to improve the quality and robustness of the rosters and expedite the process of filling vacancies in missions; (c) the activities relating to the succession management plan be completed in a time-bound manner, especially the compiling of a skills inventory and the reprofiling and certification of posts; and (d) steps be initiated to validate the monitoring and accountability framework.**

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|---|---|
| *Departments responsible*: | Department of Management and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Fourth quarter of 2017 |

161. The Board has confirmed in annex II of its current report that parts (a), (b) and (d) of the recommendation have been fully implemented.

162. With regard to part (c) of the recommendation, the succession management concept and plan are complete, and the compiling of a skills inventory and the reprofiling and certification of posts are in progress.

163. **In paragraph 319 of its report, the Board recommended that the Administration develop a cost-benefit analysis methodology, including benefits realization plans that can be empirically verified to provide assurance regarding the benefits that have accrued or are expected to accrue as a result of the implementation of the global field support strategy.**

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|---|---|
| *Departments responsible*: | Department of Peacekeeping Operations and Department of Field Support |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Fourth quarter of 2017 |

164. The Department of Field Support has completed the development of a standardized cost-benefit analysis methodology. The Department expects to complete the guidelines on benefits tracking by March 2017. The methodology will facilitate a uniform cost-benefit analysis approach moving forward and help create a shared understanding among internal and external stakeholders on how the costs and benefits of reform initiatives can be empirically established and verified.

165. **In paragraph 342 of its report, the Board reiterated its previous recommendation for a more empirical and transparent procedure for the setting of standards that defines operational requirements and is informed by a market research and cost-benefit analysis.**

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| *Department responsible*: | Department of Management |
| *Status*: | In progress |
| *Priority*: | High |
| *Target date*: | Second quarter of 2017 |

166. On 3 November 2016, the Office of Information and Communications Technology promulgated an updated version of its procedure for ICT standardization. In addition to reflecting the institutional changes described in the Secretary-General's bulletin on the organization of the Office (ST/SGB/2016/11), it also addresses the role of the Architecture Review Board and the Project Review Committee with respect to the evaluation of costs, emphasizing the they should give full consideration to the primacy of the Procurement Division in the commercial evaluation of bids received in response to requests for proposals and other procurement mechanisms. The issue of cost-benefit analysis is addressed as part of the ICT governance process, which is being reviewed.